GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA

STARRED QUESTION NO:214
ANSWERED ON:10.03.2011
HIGHER PRICES OF KHADI
Rathwa Shri Ramsinhbhai Patalbhai

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) the total number of weavers working at present in Khadi and Village Industries in the country;

(b) whether the number of weavers is on the decline during the last three years;

(c) if so, the details thereof;

(d) whether Khadi garments have registered shortfall in its overall marketing;

(e) if so, the reasons therefor; and

(f) the efforts being made by the Government to improve the sale of Khadi garments in the country?

Answer

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES(SHRI VIRBHADRA SINGH)

(a)to (f): A statement is placed on the table of the Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF THE LOK SABHA STARRED QUESTION NO. 214 FOR ANSWER ON 10.03.2011.

(a) As per the data compiled by KVIC, an estimated 1.24 lakh weavers have been working in the khadi and village industries (KVI) in the country.

(b)& (c) There is no decline in the number of weavers in KVI Sector during the last three years. In fact, their number is growing steadily as may be seen from the following table:

Year	Number of Weavers (Rs. lakh)
2007-08	1.07
2008-09	1.17
2009-10	1.24

(d) & (e) There is no shortfall in sale of khadi products including khadi garments as evident from the annual figures of sale of khadi as reported by KVIC and a steady growth in sales has been maintained during last three years as indicated below:

YEAR	SALE OF KHADI (Rs. crore)
2007-08	724.39
2008-09	799.60

(f) The steps undertaken by the Ministry of Micro, Small and Medium Enterprises through Khadi and Village Industries Commission (KVIC) to improve the sale of khadi include schemes like (i) 'Product Development, Design Intervention & Packaging (PRODIP)' for improved design and packaging of khadi garments (ii) introduction of a scheme named 'Strengthening Infrastructure of Existing Weak Khadi Institutions and Assistance for Marketing Infrastructure' for renovation of 30 khadi sales outlets and providing assistance for strengthening infrastructure of existing 100 weak selected institutions,(iii) Incentivize production and sale of khadi and polyvastra by introducing a new scheme named Market Development Assistance (MDA) with assistance to khadi institution @ 20% of the value of production, to be shared among spinners/weavers, producing institutions and selling institutions in the ratio 25:30:45
(iv) arranging financial assistance to the tune of US $ 150 million (around Rs 700 crore) from Asian Development Bank (ADB) to implement a comprehensive Khadi Reforms and Development Programme (KRDP) through 300 tentatively selected khadi institutions over a period of three years from 2009-10, which inter alia, provides for opening of new sales outlets in metropolitan cities and state capitals and renovation and modernization of institutional sales outlets, with professional support made available through a Marketing Organization set up in Public Private Partnership (PPP) mode.

Besides the above, KVIC organized a number of exhibitions in collaboration with khadi institutions and other agencies to popularize khadi in the country, particularly among youth. Also KVIC has undertaken special drives for intensive marketing of khadi and village industries products during festive occasions like Holi, Deewali, New year etc.